

Slide 1 Introduction

STARS FL
Problem Disbursements Status

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Slide 2 April 2001 Balances

The bar chart below shows April 2001 balances. For April 2001, absolute balances for the Navy and Marine Corps were \$1.7 billion and \$0.2 billion, respectively. Net balances for the Navy and Marine Corps were \$1.4 billion and \$0.1 billion, respectively.

Note: Future reduction percentages based on Major Command input.

Supporting data for October 1999 through April 2001 are shown in the table below. There are 3 columns and 20 rows. The first column shows the month and year, the second column shows the absolute balances for the Navy and Marine Corps in billions of dollars, and the third column shows the net balances for the Navy and Marine Corps in billions of dollars.

Month-Year	Absolute (\$billions)	Net (\$billions)
October-1999	2.7	2
November-1999	2.8	2.1
December-1999	3	2.2
January-2000	3.1	2
February-2000	3	2.2
March-2000	2.7	2
April-2000	2.5	2
May-2000	2.4	1.9
June-2000	2.4	1.9
July-2000	2.2	1.6
August-2000	2	1.5
September-2000	1.7	1.3
October-2000	2.7	2.2
November-2000	2.3	1.8
December-2000	2.4	1.9
January-2001	2.1	1.6
February-2001	2	1.6
March-2001	2	1.5
April-2001	1.9	1.5

Slide 3 Inflow and Corrections

The bar chart below shows the inflow and corrections for October 1999 through April 2001. The average inflow is \$0.473 billion. The average in corrections is \$0.505 billion.

Supporting data for October 1999 through April 2001 are shown in the table below. There are 3 columns and 20 rows. The first column shows the month and year, the second column shows the inflow in billions of dollars, and the third column shows the corrections in billions of dollars.

Month-Year	Inflow (\$billions)	Corrections (\$billions)
October-1999	0.4	0.3
November-1999	0.4	0.3
December-1999	0.5	0.3
January-2000	0.5	0.4
February-2000	0.5	0.6
March-2000	0.4	0.7
April-2000	0.4	0.6
May-2000	0.3	0.5
June-2000	0.5	0.5
July-2000	0.4	0.6
August-2000	0.3	0.5
September-2000	0.3	0.6
October-2000	1.2	0.2
November-2000	0.7	1.1
December-2000	0.6	0.5
January-2001	0.4	0.7
February-2001	0.4	0.4
March-2001	0.4	0.4
April-2001	0.4	0.4

Slide 4 Problem Disbursement Target Goals for FY03

The two bar charts below show the PD Target goals (net and absolute) for fiscal year 2003. The net goal is \$407 million. The absolute goal is \$496 million.

Supporting data for October 2000 are shown in the tables below. There are 5 columns and 3 rows in each table. Net goals for October 2000 and fiscal year 2003 are shown in the first table and absolute goals for October 2000 and fiscal year 2003 are shown in the second table.

Net Goal	STARS FL UMD (\$millions)	STARS HCM UMD (\$millions)	STARS HCM NULO (\$millions)	NWCF (\$millions)	DWAS-FIS & MFCS (\$millions)
October-2000	236.3	189.1	156.3	264.4	17.5
FY 2003 Goal	117.6	49.8	54.3	119.6	6.3

Absolute Goal	STARS FL UMD (\$millions)	STARS HCM UMD (\$millions)	STARS HCM NULO (\$millions)	NWCF (\$millions)	DWAS-FIS & MFCS (\$millions)
October-2000	272.6	254	156.3	432.8	22.2
FY 2003 Goal	134.4	67.5	54.3	170	9.8

Slide 5 STARS FL Ending Balance Goals

The two bar charts below show the STARS FL Ending balance goals (net and absolute) for October 2000, 2001, 2002, and 2003. Aggressive PD reduction is key to CFO compliance.

Supporting data for October 2000, 2001, 2002, and 2003 are shown in the tables below. There are 5 columns and 2 rows in each table. Net ending balance goals are shown in the first table and absolute ending balance goals are shown in the second table.

	October 2000 (\$millions)	2001 (\$millions)	2002 (\$millions)	2003 (\$millions)
October-2000	\$236	\$176	\$142	\$118

	October 2000 (\$millions)	2001 (\$millions)	2002 (\$millions)	2003 (\$millions)
October-2000	\$273	\$200	\$162	\$134

Slide 6 Problem Disbursement Status FY 2001

The following line chart shows the net PD status (projected and actual) in fiscal year 2001. Projections are based on FY 2001 goals. PD status is right on target within the January through March 2001 timeframe.

Supporting data for October 2000 through September 2001 are shown in the table below. There are 3 columns and 13 rows. The first column shows the month and year, the second column shows the projected net problem disbursements in billions of dollars, and the third column shows the actual net problem disbursements in billions of dollars.

Month-Year	Projected (\$billions—net)	Actual (\$billions—net)
October-2000	2.2	2.2
November-2000	2.1	1.8
December-2000	2.0	1.9
January-2001	1.8	1.6
February-2001	1.7	1.6
March-2001	1.6	1.5
April-2001	1.5	1.5
May-2001	1.3	
June-2001	1.2	
July-2001	1.1	
August-2001	1.0	
September-2001	0.8	

Slide 7 FY 2001 Status

The following tables show the FY 2001 status for the absolute and net values for STARS-FL. Good News! STARS FL is 57% there for fiscal year 2001.

Supporting data are shown in the tables below. There are 5 columns and 7 rows in each table. The absolute goal, current balance, deviation, and achieved percentage are shown in the first table. The net goal, current balance, deviation, and achieved percentage are shown in the second table. Both tables list data for STRAS-FL unmatched disbursements, STARS-HCM UMD, STARS-HCM, NULO, NWCF UMD, and DWAS-FIS & MFCS.

Absolute	Goal	Current Balance	Deviation (\$)	Achieved (%)
STARS-FL UMD	199,939	286,265	86,326	57%
STARS-HCM UMD	168,132	327,289	159,158	5%
STARS-HCM NULO	114,193	127,664	13,472	88%
NWCF UMD	454,990	497,851	42,862	91%
DWAS-FIS & MFCS	18,192	12,718	(5,474)	130%
Total	955,445	1,251,788	296,343	69%

Net	Goal	Current Balance	Deviation (\$)	Achieved (%)
STARS-FL UMD	175,768	251,977	76,209	57%
STARS-HCM UMD	126,933	238,998	112,065	12%
STARS-HCM NULO	113,927	127,664	13,737	88%
NWCF UMD	303,491	265,374	(38,117)	113%
DWAS-FIS & MFCS	11,803	8,793	(3,010)	126%
Total	731,922	892,806	160,884	78%

Slide 8 Problem Disbursement Status FY 2001

The following line chart shows the absolute PD status (projected and actual) in fiscal year 2001. Projections are based on FY 20001 goals. PD status needs to improve within the February through April 2001 timeframe.

Supporting data for October 2000 through September 2001 are shown in the table below. There are 3 columns and 13 rows. The first column shows the month and year, the second column shows the projected absolute problem disbursements in billions of dollars, and the third column shows the actual absolute problem disbursements in billions of dollars.

Month-Year	Projected (\$billions—absolute)	Actual (\$billions—absolute)
October-2000	2.7	2.7
November-2000	2.6	2.3
December-2000	2.4	2.4
January-2001	2.3	2.1
February-2001	2.1	2.0
March-2001	2.0	2.0
April-2001	1.8	1.9
May-2001	1.7	
June-2001	1.5	
July-2001	1.4	
August-2001	1.2	
September-2001	1.0	

Slides 9 and 10 PD Cleanup Effort

PD Cleanup efforts include:

Eliminating all problem disbursements prior to 1 October 2000

- Use Discontinued Research
- Apply new FMR procedures.

Areas of Focus are MILSTRIP, Reimbursables, and Large Contracts.

Clean-up opportunities within FL are travel training and printing automated clean-up and automated threshold level table for PD write-off.

Developing strategy to maintain PD figures at average inflow amounts (problem disbursements after 1 October 2000):

- Develop process to reduce PD amounts
- Use current or accelerated procedures subscribed by FMR
- Work with individual Major Commands to reduce PD balances

Increase effort for Navy Working Capital Fund (NWCF) (Met with NAVFAC, NAVSEA, and MSC) and STARS FL (Plan to meet with: NAVFAC, BUMED, CINCPACFLT, and CINCLANTFLT)

Continue focus on STARS HCM.

Slide 11 Problem Disbursement Reporting Update

PD reporting updates include improving the PD reporting process:

- Performed analysis to identify weaknesses and developed methodology for trend analysis.
- Analyzed logic for identifying Major Commands, which includes FMO reconciled logic that does not match, FMO will use the same data produced by DFAS-CL and DFAS-CH, and STARS FL using LOA table logic to assign transactions to Major Commands.
- Transitioned platform from PC Focus to Access-based system. The Access-based system is user-friendly and streamlines the current process.
- Develop Web-based PD reporting tool.

Slide 12 Problem Disbursement Trend Analysis

The following line graph shows STARS-FL PD resolution process by major command. FMO developed trend analysis tools to help identify and resolve problem disbursement issues. Data is shown from October 2000 through September 2001. Problem disbursements are in absolute dollars.

For NAVFAC, STARS-FL problem disbursements were at approximately \$118 million in October 2000, \$157 million in November 2000, \$158 million in December 2000, \$126 million in January 2001, \$126 million in February 2001, and \$135 million in March 2001.

For CINCPACFLT, STARS-FL problem disbursements were at approximately \$41 million in October 2000, \$45 million in November 2000, \$58 million in December 2000, \$53 million in January 2001, \$58 million in February 2001, and \$50 million in March 2001.

For LANTFLT, STARS-FL problem disbursements were at approximately \$40 million in October 2000, \$32 million in November 2000, \$41 million in December 2000, \$40 million in January 2001, \$47 million in February 2001, and \$41 million in March 2001.

For BUMED, STARS-FL problem disbursements were at approximately \$10 million in October 2000, \$12 million in November 2000, \$19 million in December 2000, \$17 million in January 2001, \$15 million in February 2001, and \$16 million in March 2001.

For RESFOR, STARS-FL problem disbursements were at approximately \$9 million in October 2000, \$9 million in November 2000, \$10 million in December 2000, \$8 million in January 2001, \$5 million in February 2001, and \$6 million in March 2001.

For SPECWAR, STARS-FL problem disbursements were at approximately \$5 million in October 2000, \$5 million in November 2000, \$7 million in December 2000, \$6 million in January 2001, \$5 million in February 2001, and \$6 million in March 2001.

For CNO, STARS-FL problem disbursements were at approximately \$7 million in October 2000, \$8 million in November 2000, \$11 million in December 2000, \$8 million in January 2001, \$6 million in February 2001, and \$7 million in March 2001.

Slide 13 Problem Disbursement Trend Analysis

The following line graph shows STARS-FL problem disbursement resolution process by document type. Data is shown from October 2000 through March 2001. Problem disbursements are in absolute dollars.

For large contracts, STARS-FL problem disbursements were at approximately \$30 million in October 2000, \$31 million in November 2000, \$42 million in December 2000, \$32 million in January 2001, \$35 million in February 2001, and \$31 million in March 2001.

For small contracts, STARS-FL problem disbursements were at approximately \$7 million in October 2000, \$2 million in November 2000, \$3 million in December 2000, \$3 million in January 2001, \$2 million in February 2001, and \$2 million in March 2001.

For travel, STARS-FL problem disbursements were at approximately \$3 million in October 2000, \$3 million in November 2000, \$5 million in December 2000, \$4 million in January 2001, \$3 million in February 2001, and \$3 million in March 2001.

For training, STARS-FL problem disbursements were at approximately \$0 million from October 2000 through March 2001.

For printing, STARS-FL problem disbursements were at approximately \$0 million from October 2000 through March 2001.

For reimbursables, STARS-FL problem disbursements were at approximately \$108 million in October 2000, \$149 million in November 2000, \$142 million in December 2000, \$109 million in January 2001, \$98 million in February 2001, and \$104 million in March 2001.

For milstrips, STARS-FL problem disbursements were at approximately \$70 million in October 2000, \$67 million in November 2000, \$82 million in December 2000, \$81 million in January 2001, \$92 million in February 2001, and \$82 million in March 2001.

For miscellaneous, STARS-FL problem disbursements were at approximately \$12 million in October 2000, \$7 million in November 2000, \$9 million in December 2000, \$9 million in January 2001, \$8 million in February 2001, and \$10 million in March 2001.

For RCP, STARS-FL problem disbursements were at approximately \$5 million in October 2000, \$5 million in November 2000, \$10 million in December 2000, \$7 million in January 2001, \$6 million in February 2001, and \$7 million in March 2001.

For NODOC, STARS-FL problem disbursements were at approximately \$8 million in October 2000, \$9 million in November 2000, \$11 million in December 2000, \$9 million in January 2001, \$10 million in February 2001, and \$12 million in March 2001.

For other, STARS-FL problem disbursements were at approximately \$27 million in October 2000, \$23 million in November 2000, \$30 million in December 2000, \$34 million in January 2001, \$24 million in February 2001, and \$32 million in March 2001.

Slide 14 Problem Disbursement Trend Analysis

The following line graph shows STARS-FL October 2000 problem disbursements by document type tracked for 180 days. Data is shown from October 2000 through March 2001. Problem disbursements are in absolute dollars.

For large contracts, STARS-FL problem disbursements were at approximately \$12 million in October 2000, \$10 million in November 2000, \$8 million in December 2000, \$5 million in January 2001, \$4 million in February 2001, and \$3 million in March 2001.

For small contracts, STARS-FL problem disbursements were at approximately \$1 million in October 2000, \$1 million in November 2000, \$0 million in December 2000, \$0 million in January 2001, \$0 million in February 2001, and \$0 million in March 2001.

For travel, STARS-FL problem disbursements were at approximately \$2 million in October 2000, \$1 million in November 2000, \$1 million in December 2000, \$0 million in January 2001, \$0 million in February 2001, and \$0 million in March 2001.

For training, STARS-FL problem disbursements were at approximately \$2 million in October 2000, \$1 million in November 2000, \$1 million in December 2000, \$0 million in January 2001, \$0 million in February 2001, and \$0 million in March 2001.

For printing, STARS-FL problem disbursements were at approximately \$1 million in October 2000 and \$0 million from November 2000 through March 2001.

For reimbursables, STARS-FL problem disbursements were at approximately \$54 million in October 2000, \$38 million in November 2000, \$30 million in December 2000, \$16 million in January 2001, \$14 million in February 2001, and \$12 million in March 2001.

For milstrips, STARS-FL problem disbursements were at approximately \$35 million in October 2000, \$11 million in November 2000, \$8 million in December 2000, \$6 million in January 2001, \$6 million in February 2001, and \$3 million in March 2001.

For miscellaneous, STARS-FL problem disbursements were at approximately \$10 million in October 2000, \$6 million in November 2000, \$6 million in December 2000, \$7 million in January 2001, \$2 million in February 2001, and \$2 million in March 2001.

For RCP, STARS-FL problem disbursements were at approximately \$2 million in October 2000, \$2 million in November 2000, \$1 million in December 2000, \$1 million in January 2001, \$0 million in February 2001, and \$0 million in March 2001.

For NODOC, STARS-FL problem disbursements were at approximately \$2 million in October 2000, \$2 million in November 2000, \$1 million in December 2000, \$1 million in January 2001, \$1 million in February 2001, and \$0 million in March 2001.

For other, STARS-FL problem disbursements were at approximately \$16 million in October 2000, \$7 million in November 2000, \$6 million in December 2000, \$3 million in January 2001, \$3 million in February 2001, and \$1 million in March 2001.

Slide 15 Problem Disbursement Next Steps

FMO will perform the following:

- Implement problem disbursement clean-up strategy and identify opportunities within STARS FL
- Assist with identifying problems causing inflow and
- Help create IPTs with Major Commands taking leadership role
- Meet with STARS FL Major Commands with high problem disbursements
- Monitor action items and provide quarterly updates
- Schedule next STARS FL Problem Disbursement Conference (DC, Dec 01)

Major Commands should perform the following:

- Make every effort to achieve problem disbursement reduction goals
- Identify problem disbursements for discontinued research
- Participate in STARS FL reduction efforts
- Identify and resolve causes of inflow

Slide 16 FMR Guidance Update

General Fund (GF)—Four Phases

- Phase 1: Create awareness of revised DOD FMR requirements -10 April 01
- Phase 2: Provide detailed obligation procedures and reporting requirements
- Phase 3: Address procedural changes from systemic modifications to accounting/financial management systems
- Phase 4: Provide guidance on compressing problem disbursement timeframes

Slides 17 and 18 FMR Implementation Timeline

Requires Primary/Alternate POC. (GF - Major Command and NWCF - Each Activity)

Volume 3, Chapter 8 - Payment of an Invoice. DFAS will provide obligation/receipt documentation

- For GF, < \$2500 - 3 days - DFAS will obligate and > \$2500 - 10 days - DFAS will obligate
- For NWCF, < \$2500 - 3 days - DFAS will pay as Transaction for Others (TFO); creates potential UMD and > \$2500 - 10 days - DFAS will pay as TFO - creates potential UMD.

Volume 3, Chapter 11 - Overaged Problem Disbursements. DFAS will provide obligation/disbursement documentation.

- For GF, < \$2500 - 3 days - DFAS will obligate/correct and > \$2500 - 10 days - DFAS will obligate/correct.
- For NWCF, < \$2500 - 3 days - report to FMO and > \$2500 - 10 days - report to FMO.